

FIG. 3

FROM FIG. 3

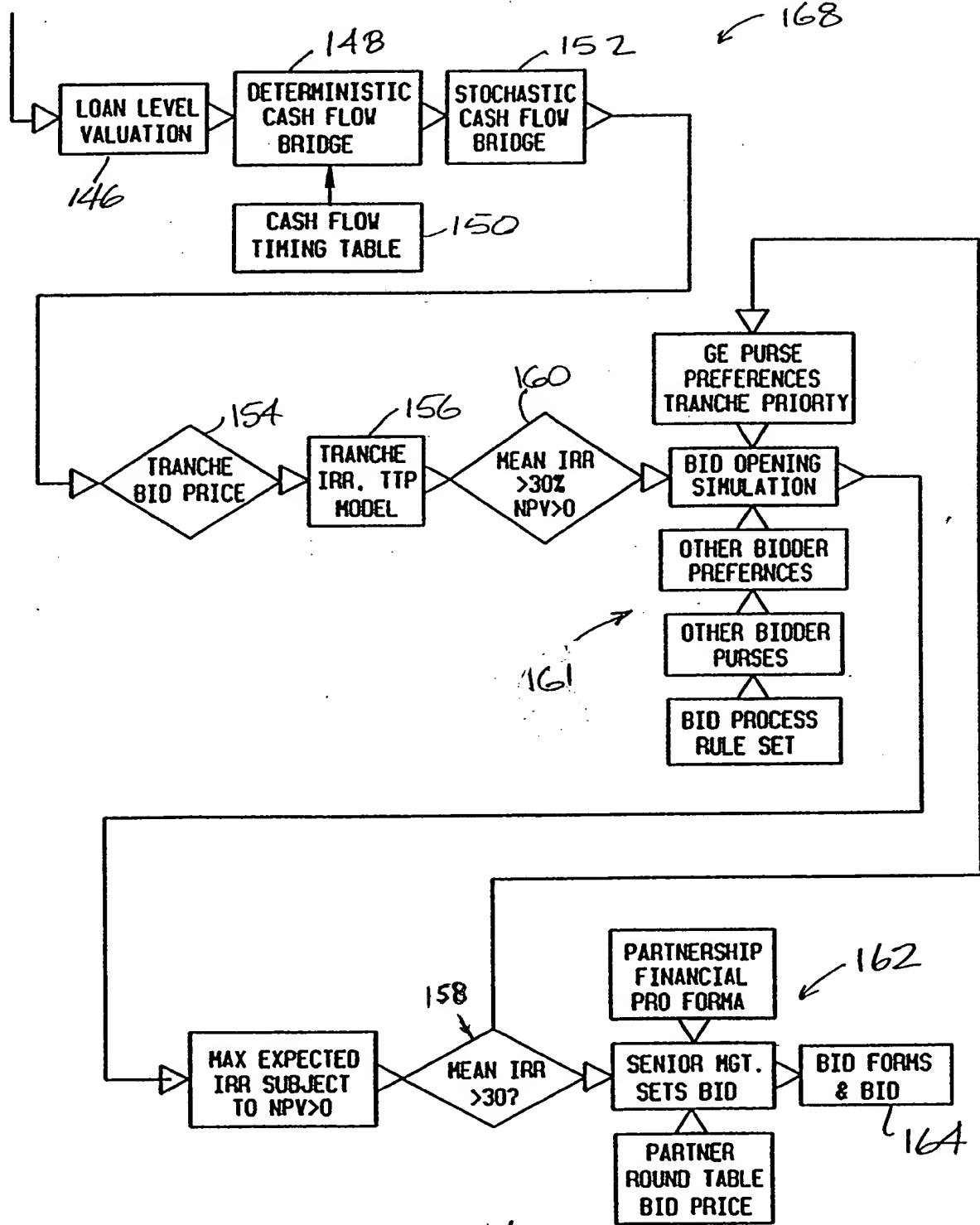


FIG. 4

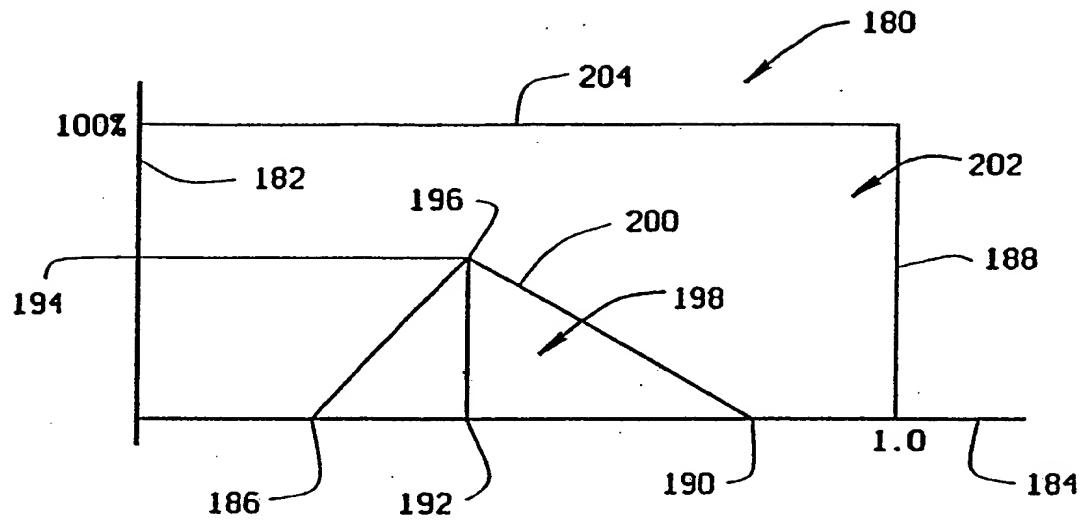


FIG. 5

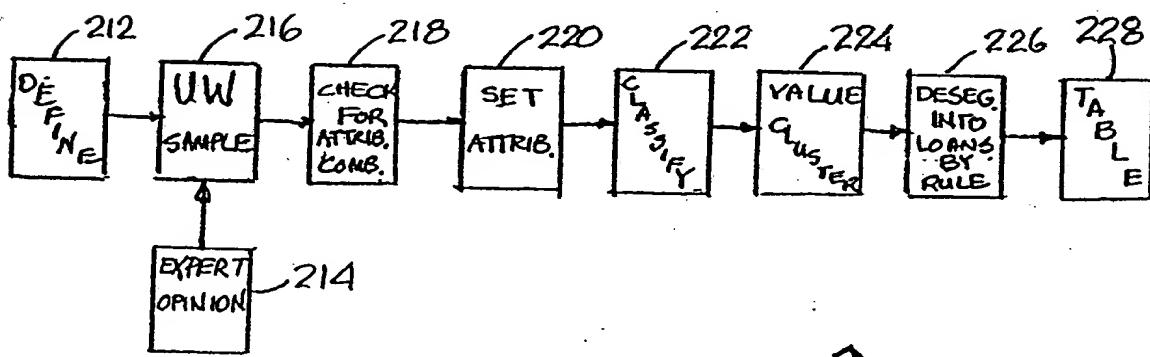


FIG. 6

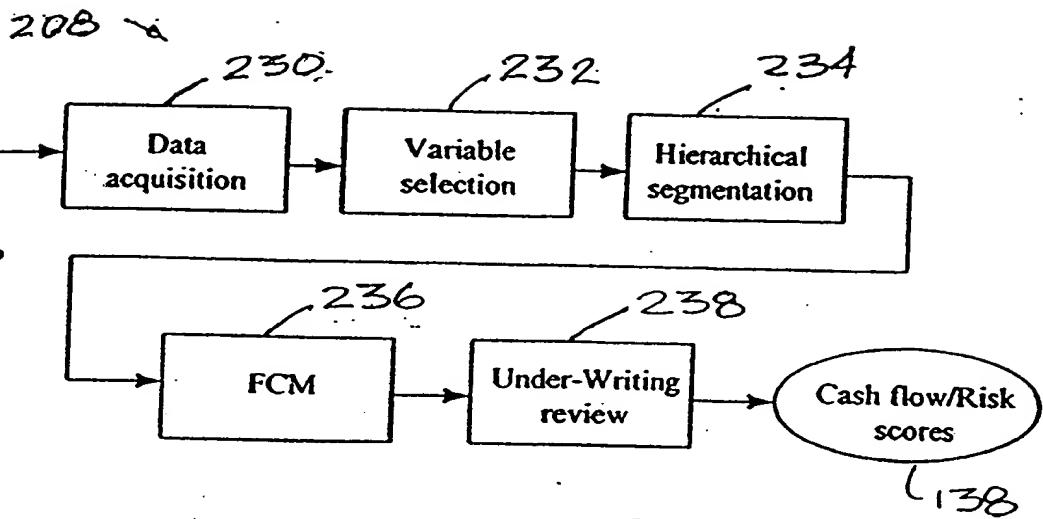


FIG. 7

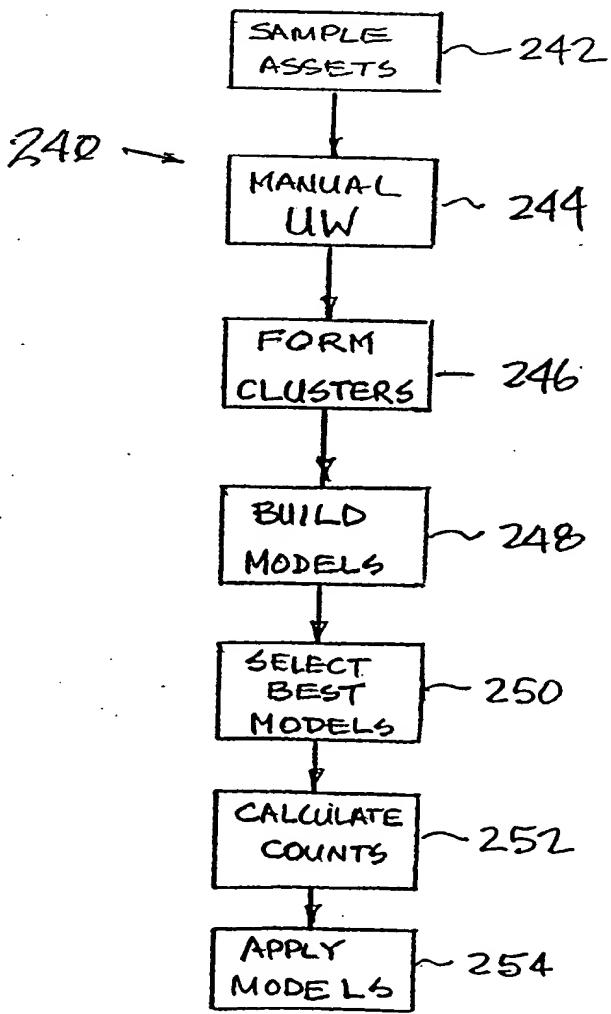


FIG. 8

6/9

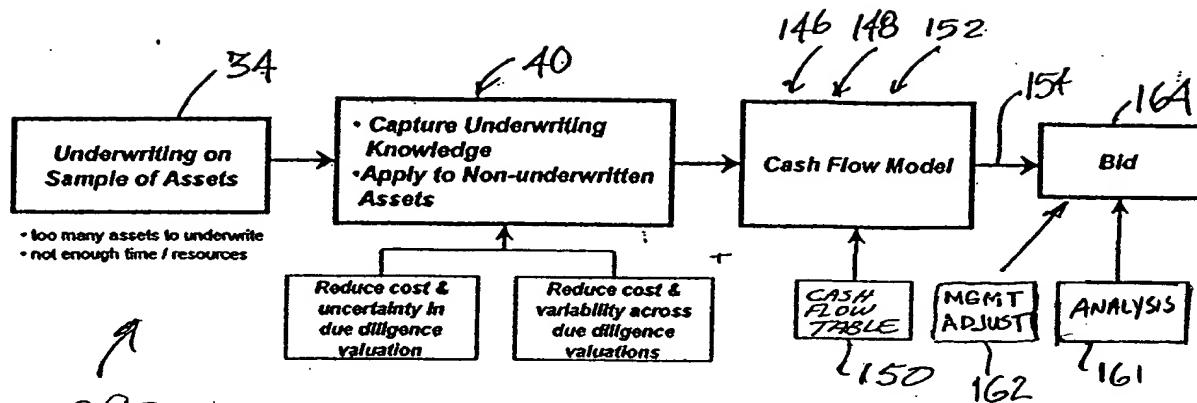


FIG. 9

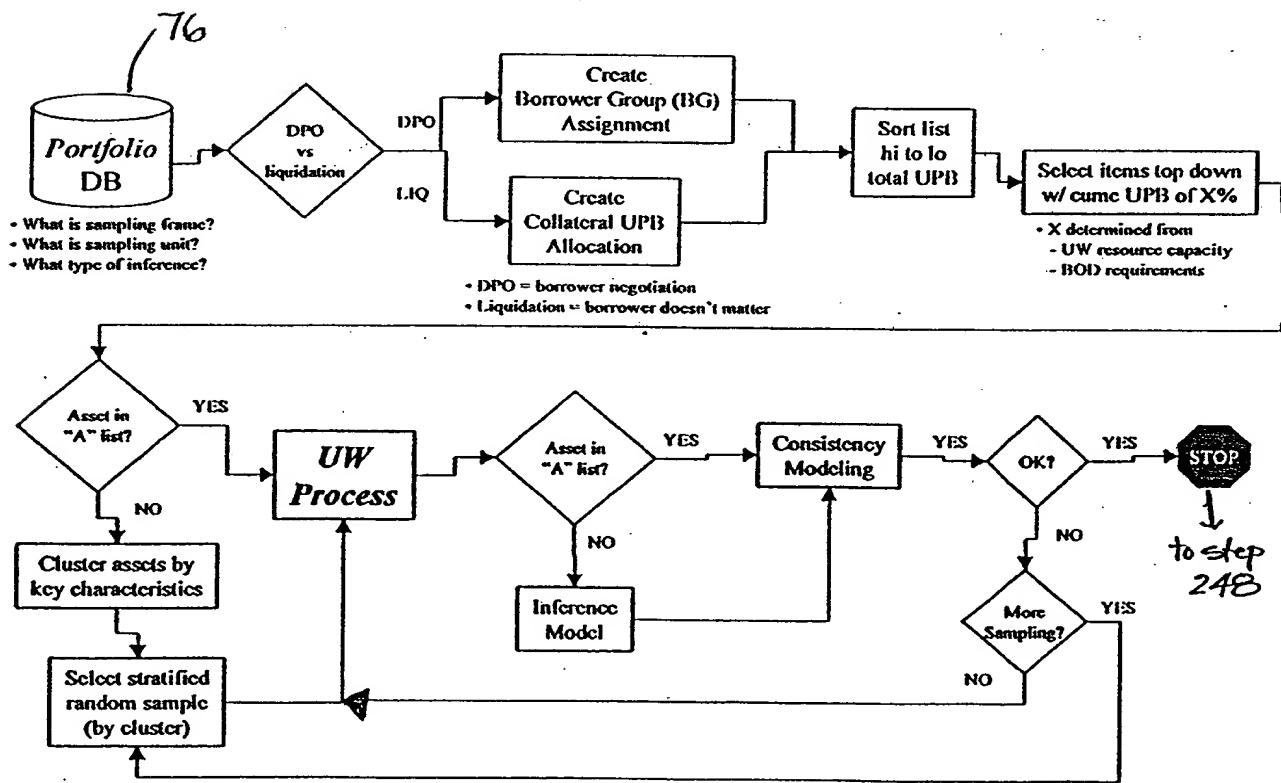
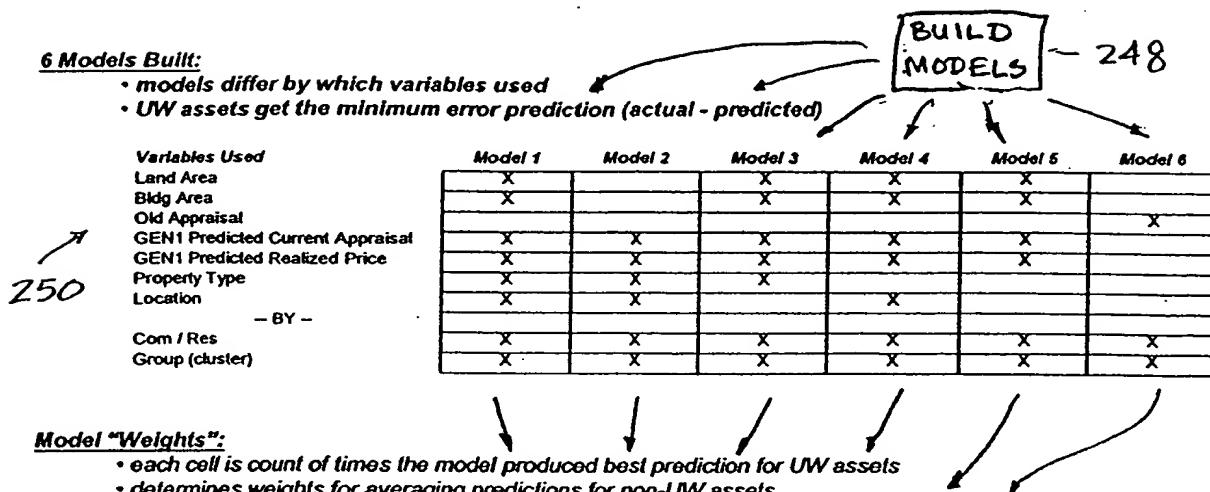


FIG. 10

719

6 Models Built:

- models differ by which variables used
 - UW assets get the minimum error prediction (actual - predicted)



Model "Weights":

- each cell is count of times the model produced best prediction for UW assets
 - determines weights for averaging predictions for non-UW assets

Model	Asset Class	Group	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Sum
Court Auction	Commercial	1	13	13	13	8	8	32	87
		2	29	25	29	24	22	19	148
Court Auction	Residential	1	5	5	10	15	4	12	51
		2	4	7	9	3	13	23	59
Market Value	Commercial	1	16	13	11	10	15	21	86
		2	29	22	29	27	24	19	150
Market Value	Residential	1	5	8	4	9	11	14	51
		2	8	8	10	0	15	18	53
Total		1	6	16	5	5	20	2	764

FIG. II

252

Variable	Category/Value Range	Encoding Scheme
Loan secured	{Yes, No}	Yes = 1 else 0
Loan type	{Revolving, Non-revolving}	Revolving = 1 else 0
Last payment	[0, 250 MM]	0 if Last payment = 0 else 1
Notice of default sent		Prior to Jun 97 equals 1 else 0
Original maturity date		Prior to Jun 97 equals 1 else 0
Syndicated Loan	{Yes, No}	Yes = 1 else 0
Loan guaranteed	{Yes, No, NAV}	Yes = 1 else 0
Collection score	[0, 1]	
Lien position	{-1, 0, 1}	1 if Lien position = 1 else 0
Current unpaid balance/Original balance	[0, 2.9]	Normalized to [0, 1]
Last payment to Interest/Last payment	[0, 1]	

FIG. 12

80

138

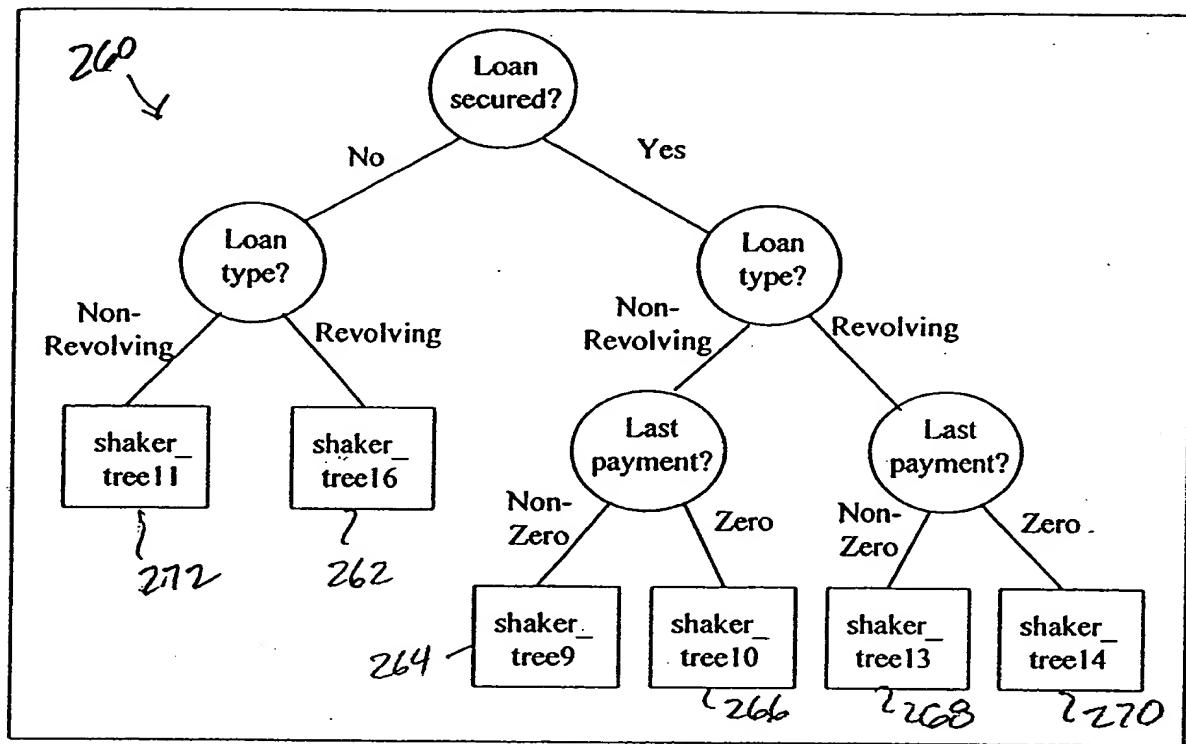


FIG. 13

Figure 9